

possession of an assured income from their stock holdings found their wealth turned to ashes in their hands. A crash in industrial stocks took place on May 5, 1893, but June 2nd was one of the panic days on the stock exchanges. Rates for money in New York, which were normal in the morning, rose to 75 per cent, per annum before the close of business. The scarcity of money forced holders of securities to unload. Atchison general fours dropped from 71 to 66; New York, Lake Erie, and Western seconds fell from 59 to 53; Chicago gas went down from 50 to 43; and General Electric slumped from 47 to 40. The excitement in New York was so intense that it was proposed to close the Stock Exchange, but the proposition was rejected by the governors at their meeting the next day. An appeal was made to the foreign exchange houses for help and \$10,000,000 in gold was engaged in London while exchange was quoted above the exporting point.

The heavy demands upon the national banks and the reduction of their coin and currency threatened early in the panic to carry their cash reserves below the limit required by law in the reserve cities. The reserves of the New York banks were close to the limit early in July and fell on August 5, \$14,017,800 below it. The natural remedy for the scarcity of currency was the successful expedient of other years of panic,—the issue of clearing-house certificates. The first issues was made in Philadelphia on June 16th, but the New York banks promptly followed on June 21st, and those of Boston and Baltimore six days later. The largest amount outstanding at one time in New York was \$38,280,000, from August 29th to September 6th; in Philadelphia, \$10,965,000, on August 15th; in Boston, \$11,445,000, from August 23d to September 1st; and in Baltimore, \$1,475,000 from August 24th to September 9th. These issues, amounting with \$987,000 at Pittsburg, to \$63,152,000, are the only ones reported by the Comptroller of the Currency, but they only served as a lesson to the clearing houses of the country. Some form of certificate of this character was issued in nearly every considerable city